

Material Event or Information Disclosure Policy

Version 1.2

Adopted by the Board of Directors of

Rane Holdings Limited

CIN L35999TN1936PLC002202

Rane (Madras) Limited

CIN L65993TN2004PLC052856

Rane Engine Valve Limited

CIN L74999TN1972PLC006127

Rane Brake Lining Limited

CIN L63011TN2004PLC054948

*(Collectively known as "Rane Group of Companies" and
Individually referred to as "the Company")*

Regd. Office : " MAITHRI "
132, Cathedral Road
Chennai - 600 086

Website : www.ranegroup.com
e-mail: investorservices@ranegroup.com

Last Reviewed on March 2020

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1. Preface

The Board of directors (the “Board”) of Rane Holdings Limited (the Company) has adopted this policy to determine materiality of events or information that requires disclosure pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Further, the Board will review the policy from time to time and propose appropriate amendments, if any required.

2. Scope

The policy is framed based on the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the disclosure framework for the Company with respect to determining materiality of events or information for accurate and timely disclosure of the same to the stakeholders.

3. Definitions

- a) “**Policy**” means this Material Event or Information Disclosure Policy.
- b) All words and expressions used in this policy shall have its meaning as defined in the SEBI Act, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

4. Criteria for determination of materiality of events/ information

4.1 The Company shall consider the following to determine materiality of any event / information:

- (a) Whether omission of disclosure is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) Whether there would be a ‘significant market reaction’ if such event / information is known to public on a later date ; or
- (c) In any other case, the Board of Directors are of the opinion that such event / information is material.

4.2 The Board may consider an event / information to be material, if it is likely to result in one or more of the following impacts:

- (a) the Company directly or indirectly in the manner described in guidelines for determination of materiality as detailed in **Annexure 1 to this policy**¹; or
- (b) any information which relates directly or indirectly to a company and which if published is likely to materially affect the price of shares of the company.
- (c) in cases where (a) and (b) is not applicable, an opinion can be framed based on relevant facts and circumstances taking into consideration the following:
 - (i) Direct / indirect impact on reputation of the Company and Rane Group, brand, goodwill etc.,
 - (ii) Whether likely to result in false market for securities of the Company

¹ Substituted for “impact of 10% or more on the gross turnover or revenues or total income or impact of 20% of the net worth, both as per the last consolidated financial statements of the company, whichever is lower”, vide version 1.2.

(iii) If disclosed, whether the business interest of the Company / Rane group would be at risk.

5. Exceptions

The Board may withhold the disclosure for an event or information under the following circumstances:

- (a) Disclosure would be a breach of law
- (b) Concerns an incomplete proposal or negotiation
- (c) Matters of supposition or is not definite to warrant disclosure
- (d) Information is generated strictly for internal management purposes
- (e) Information is a trade secret or if disclosed, would adversely affect the business prospects of the company.

6. Official(s) in charge

The Chairman and Head - Secretarial & Legal, Rane Group shall be responsible to :

- (a) determine materiality of event or information in accordance with this policy,
- (b) assist the board in deciding disclosure of the same; and
- (c) monitor implementation of the policy, from time to time.

The contact details are: -

	Rane Group		
	Chairman	Group CFO ²	Head – Secretarial & Legal
Name :	Mr L Ganesh	Mr P A Padmanabhan	Mr Siva Chandrasekaran
Address:	Registered Office: “Maithri”, 132, Cathedral Road, Chennai - 600 086		
Phone :	044 28112472		
E-mail :	investorservices@rane.co.in		

7. Website Updation / Updates to stock exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The official(s) in charge, shall give updates to the Board of Directors and to the Stock Exchanges on any material event or information that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates sent to stock exchanges shall also be hosted on the website of the Company.

8. Approval

This policy was approved by the board of directors on as per resolution dated **November 26, 2015** to come into effect from **December 1, 2015** onwards.

Amendments

Version 1.1 : Pursuant to amendment approved vide resolutions passed by the board of directors in May 2016

Version 1.2 : Pursuant to amendments approved vide resolutions passed by the board of directors in January – February 2019.

² Inserted vide version 1.2

Annexure 1

Guidelines for determining materiality referred sub-regulation (4) of regulation (30) of SEBI LODR

S.No	Event or Information	Criteria	Guidelines
1	Commencement or postponement in commercial production or operations of any unit/division	Expected Production	Annual Production of division is 10% of Total Production of the Company
Change in the general character or nature of business brought about by			
2	(i) Arrangements for strategic, technical, manufacturing, or marketing tie-up	Expected Increase or Decrease in Sales	Annual Sales attributable is 10% of Consolidated Turnover of Company *
	(ii) Adoption of new line(s) of business	Expected Increase or Decrease in Sales	Annual Sales attributable to the new line is 10% of Consolidated Turnover of Company *
	(iii) Closure of operations of any unit/division - (entirety or piecemeal)	Turnover of unit or division	Annual sales from the unit/division is 10% of Consolidated Turnover of Company *
3	Capacity addition or product launch	Increase in Capacity or Launching of a NEW Product	Additional Capacity (est. Annual Production) or New Product Turnover (est. Annual Sales) > 10% total Consolidated Turnover of Company *
4	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts (not in normal course of business)	Order or Contract size	Annual estimated Production/ Sales attributable to the contract is > 10% of total Consolidated Turnover of Company *
5	Loan agreement (as a borrower) or any binding agreement, revision or amendment and termination(s) (not in normal course of business)	Loan exposure	10% of Consolidated Net Worth of Company *

S.No	Event or Information	Criteria	Guidelines
6	Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc	Expected Loss in Production / Turnover	10% of Total Consolidated Turnover of Company *
7	Effects of change in regulatory framework	Business impact	10% of total Consolidated Turnover of Company *
8	Litigation / dispute / regulatory action (with impact)	Claim value	10% of Total Consolidated Turnover of Company *
9	Giving of guarantees or indemnity or becoming a surety for any third party	Financial exposure	10% of Total Consolidated Net Worth of Company *
10	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	Licence affecting main operations	10% of total Consolidated Turnover of Company *

S.No	Event or Information	Criteria	Guidelines
11	Fraud or Defraud / Arrest - Directors (other than KMP) and Employees	Amount or value involved	Thresholds for reporting to Audit Committee / Central Government under Companies Act, 2013
12	Any other Event or Information	Value involved - impact on revenue, or net worth as the case may be	10% of consolidated Net Worth / Revenue of Company *

* Threshold shall be determined on the basis of audited consolidated financial statements of last audited financial year. However if the company has not prepared consolidated financial statements in the last financial year, the threshold may be determined on the basis of audited standalone financial statements.